GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3250
ANSWERED ON:18.12.2015
High Customs Duty on Gold
Vichare Shri Rajan Baburao

Will the Minister of FINANCE be pleased to state:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that rise in smuggling and seizures was primarily on account of the Government raising of customs duty to discourage high imports;

(b) if so, the details thereof and modus operandi adopted to illicitly bring in gold in the country; and

(c) the concrete steps taken by the Government to check gold smuggling?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE [SHRI JAYANT SINHA]

(a) & (b) Besides increase in Customs duty rates, factors like fluctuation in international price of gold and other restrictions on import of gold also contribute to the increase in incidences of gold smuggling. The various modus-operandi adopted to illicitly bring in gold in the country are:-
â€¢ By concealment in passenger's body, aircraft, baggage and other items;
â€¢ Smuggling at land borders and coastal areas;
â€¢ Diversion from Special Economic Zones (SEZ).

(c) The Government has sensitized the Customs field formations to keep constant vigil on attempts to smuggle gold; issued alerts and modus-operandi circulars. The Customs keep surveillance; gather intelligence, profile passengers and scan baggage and passengers to detect concealment of contraband including gold.